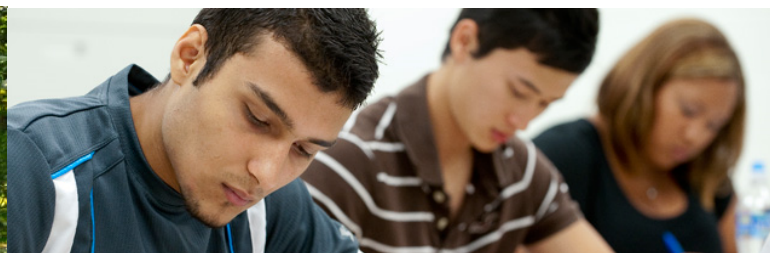


# Quick Overview of Virginia Higher Education and Introduction to the Big Policy Issues

**Patricia Hyer, Associate Provost Emerita, Virginia Tech**

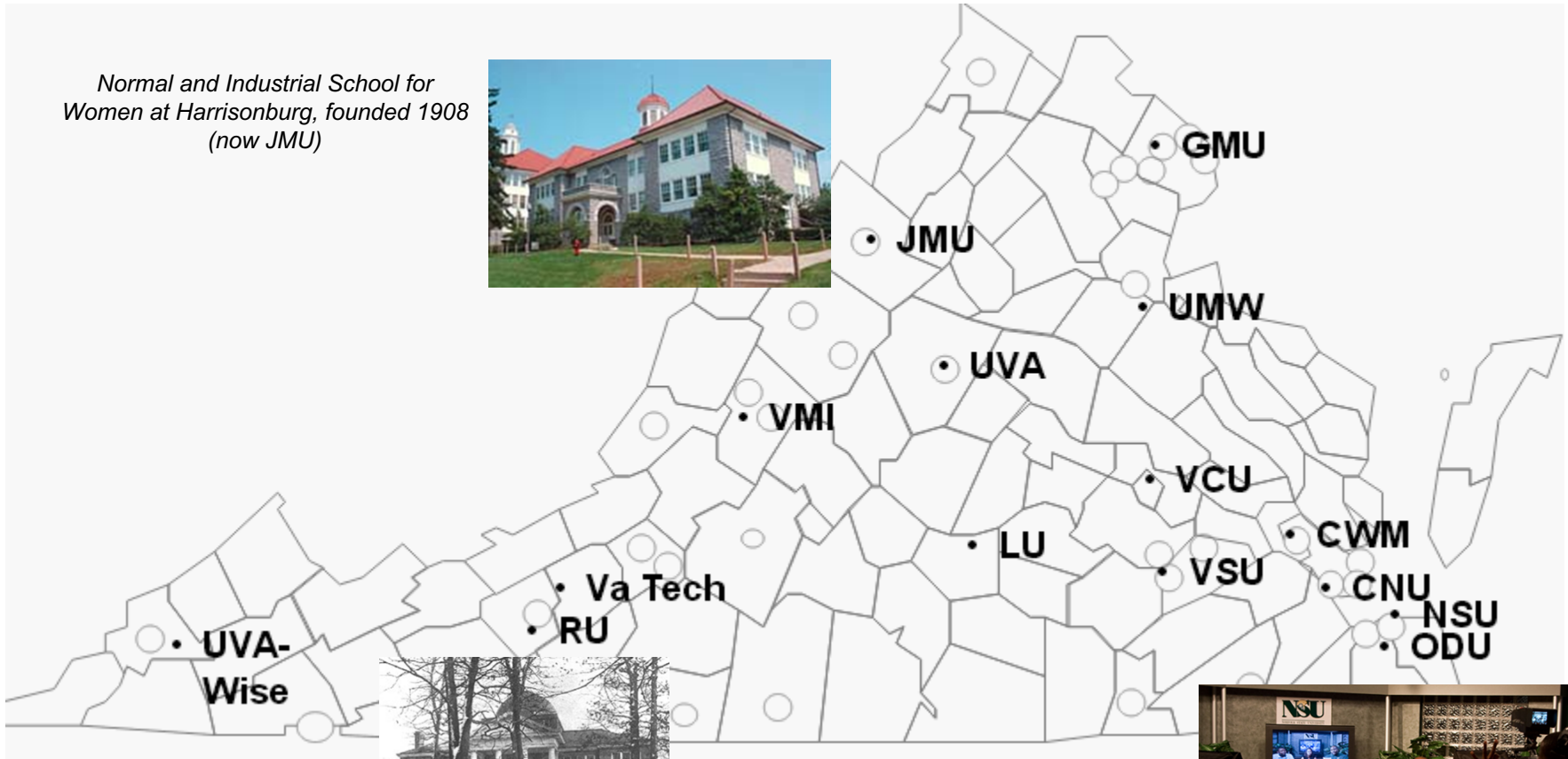
**October 2016**



# Virginia Public (and Private) Higher Education

Historically Segregated by Race and Gender

*Normal and Industrial School for  
Women at Harrisonburg, founded 1908  
(now JMU)*



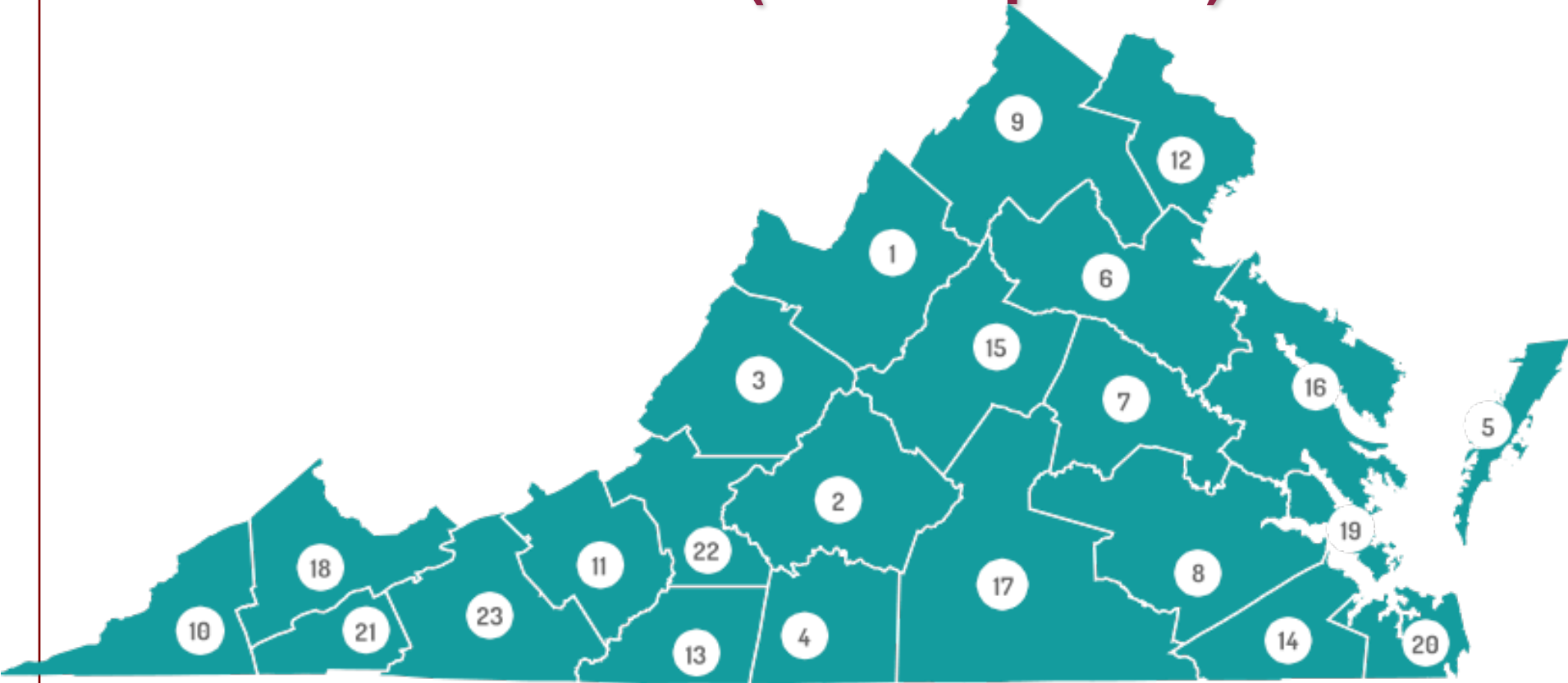
*State Normal and Industrial School  
for Women at Radford, founded 1910  
(now Radford University)*



*Norfolk State College founded as the Norfolk  
Unit of Virginia Union College in 1935  
(now Norfolk State University)*

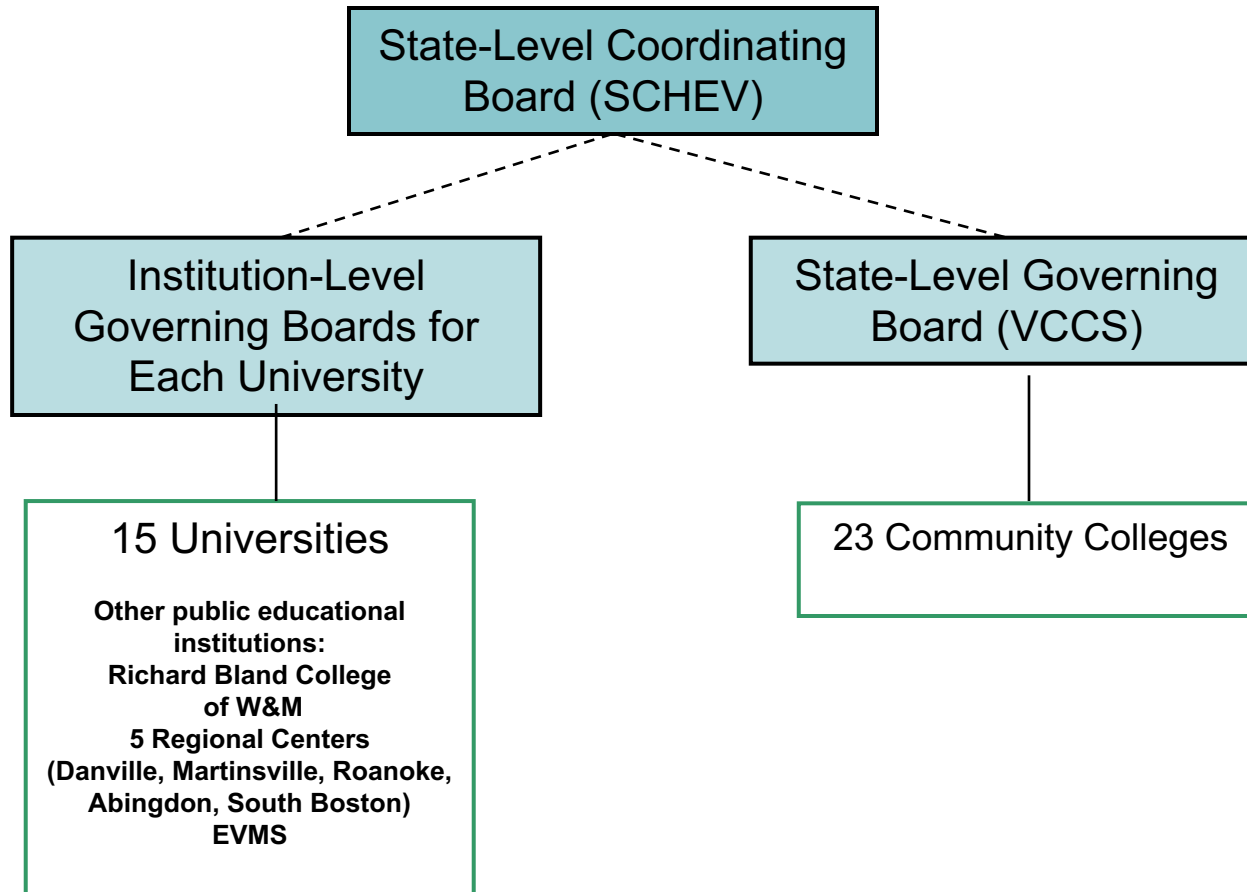


# Virginia's 23 Community College Locations (40 campuses)



The Virginia Community College System was created in 1966 and financed by the State's first ever sales tax.

# State-level governance in Virginia





# SCHEV authority and responsibilities

- **SCHEV mission established in Code of Virginia:**  
"to promote the development of an educationally and economically sound, vigorous, progressive, and coordinated system of higher education" in Virginia.
- **Makes higher education public policy recommendations to the Governor and General Assembly in such areas as capital and operating budget planning, enrollment projections, institutional technology needs, and student financial aid.**

# SCHEV – 21 duties (selected)

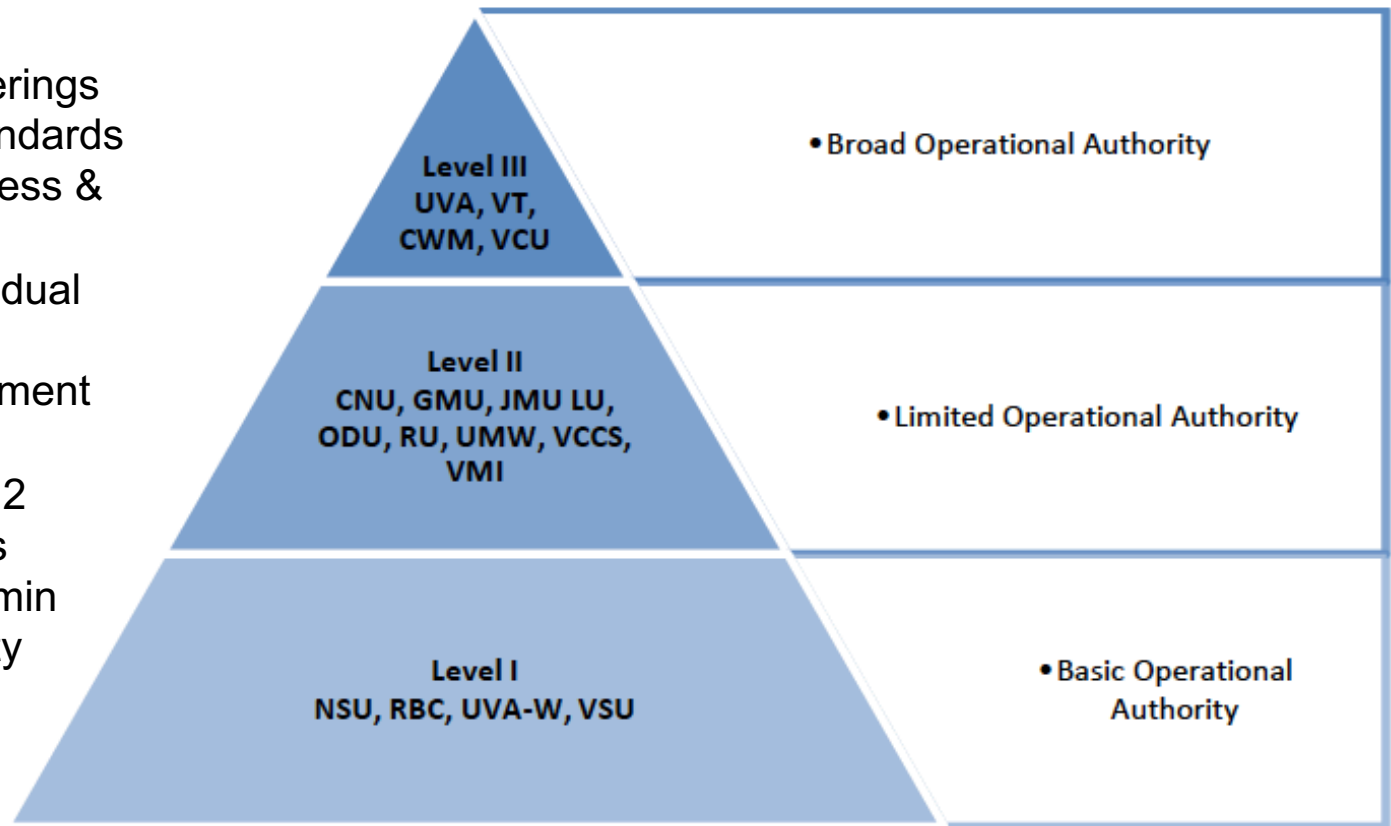
- **Develop statewide strategic plan**
  - See <http://schev.edu/index/statewide-strategic-plan/overview>
- **Approve any proposed change in mission**
- **Approve new degree programs**
- **Data collection and analysis**
- **Develop dual admissions and transfer articulation agreements between 2 and 4 year institutions**
- **Certify private & out-of-state institutions**

# Key Legislation - Virginia

## “State Asks”:

- \*Access
- \*Affordability
- \*Academic offerings
- \*Academic standards
- \*Student progress & success
- \*Articulation & dual enrollment
- \*Econ development
- \*Research
- \*Enhancing K12
- \*Six-year plans
- \*Finance & admin
- \*Campus safety & security

## Levels of Autonomy, Restructuring Act (2005)



Source: SCHEV

# Key Legislation - Virginia

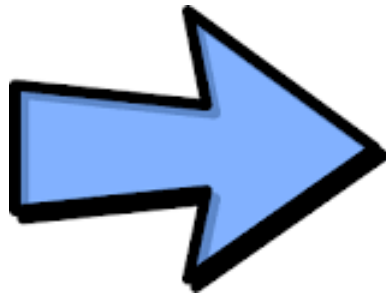
## Top Jobs Act (2011)

- Additional 100,000 degrees by 2015
- Funding incentives
  - Base funding
  - Per-student enrollment-based funding
  - Need-based financial aid
  - Targeted economic and innovation incentives
- Six-year plans with targeted goals (mitigate tuition & fee increases, year-round use of facilities, resource sharing, new programs)
- Performance measures



# The policy environment for higher education has changed dramatically

**PUBLIC  
GOOD**

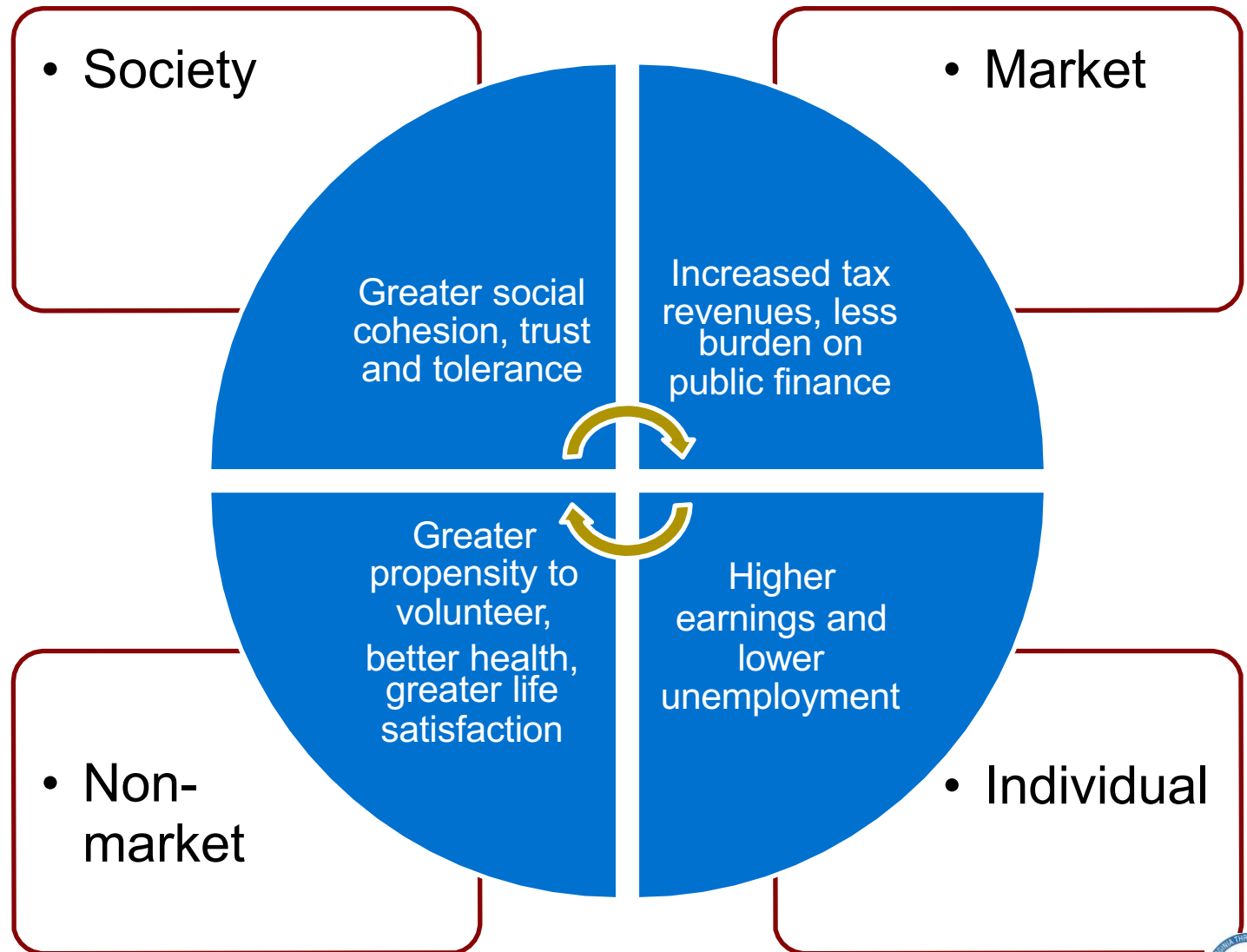


**PRIVATE  
BENEFIT**

# Progressive Period

- **Founding of landgrants through 1980**
- **Transformational investments in higher education by federal and state governments to promote both *social* and *economic* development**
- **Higher education viewed as a public good with benefits accruing to the nation not just the individual**
- **Carnegie Commission calls for public cost sharing to reflect shared benefits (1973)**

# Benefits of Broad Based Education



# Current Policy Environment Decades in the Making

## Global Transition

- **Reagan election (1980) to present**
- **Demands for more limited government and lower taxes**
- **Earlier emphasis on equal rights/opportunity shifts to focus on individual rights and freedom of choice**
- **Shift to market models to promote educational opportunity**
- **Fed shifts focus to standards, testing, accountability**
- **Higher education viewed primarily as a private or individual benefit to be paid for by students/families**



# Tax reduction initiatives and revenue shortfalls have had a major impact on funding for public higher education



*Patrick E. Watson, a longtime lobbyist for South Carolina car dealers secured a big tax break for his clients, ultimately at the expense of higher education funding*



*Douglas Bruce persuaded Colorado voters to amend the state Constitution to limit taxes and spending. The success of small-government conservatives like him has left lawmakers with fewer dollars to spend on higher education.*



*Jennifer M. Granholm preached the importance of higher education when she was Michigan's governor. But faced with tough budgets, even supporters like her put a higher priority on other social programs.*

# Public good to private benefit

- *“Americans are losing the will to pay for their public colleges. They still view a higher education as essential for their personal prospects, for getting a good job and achieving financial security. But they don’t want states spending more of their money or raising their taxes to sustain the campuses that educate the majority of the nation’s students.*
- *Once embraced as a collective good, a public higher education is increasingly viewed—and paid for—as a private one.”*

# Higher education in crisis?

- **Dysfunctional and unsustainable financing for higher education**
- **Global competitiveness compromised**
  - U.S. now surpassed by 11 countries in percentage of young obtaining bachelor's degrees -- U.S. rate stalled while educational attainment surges elsewhere
- **Problematic college graduation rates**
- **Increased economic and racial inequalities**
- **Abuses in the for-profit sector**
- **Student learning outcomes questioned**
- **Increased demand for accountability**



**Unsustainable financing undermines institutional viability and quality and excessively burdens students and families**



# State spending on higher education declined dramatically

- **Some lawmakers see higher education as a bloated enterprise and spending on wrong priorities, must become more efficient and serve more students**
- **When state revenues fall short, colleges can make up some of loss in tuition (if allowed...)**
- **Other higher state priorities (medicaid, prisons, elem/sec education)**
- **Research universities hit particularly hard**

# Costs shifted from states to students and families

**Chronicle of Higher Education, March 3, 2014, p. A32**

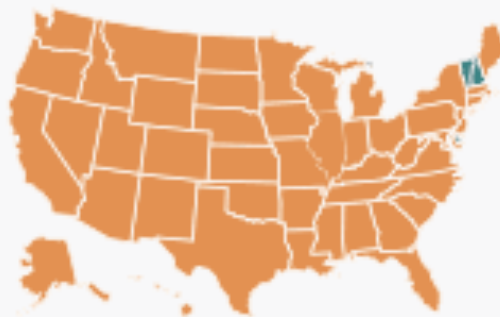
### U.S. Average, Spending Per Student

In 2012, states paid \$5,906, and students paid \$5,189.

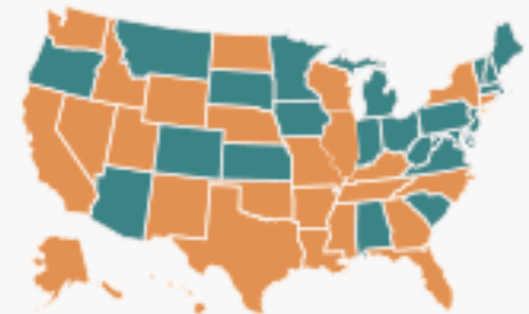


## Who Pays More

In 2000, the state paid more in **47 states**, and students paid more in **3 states**.

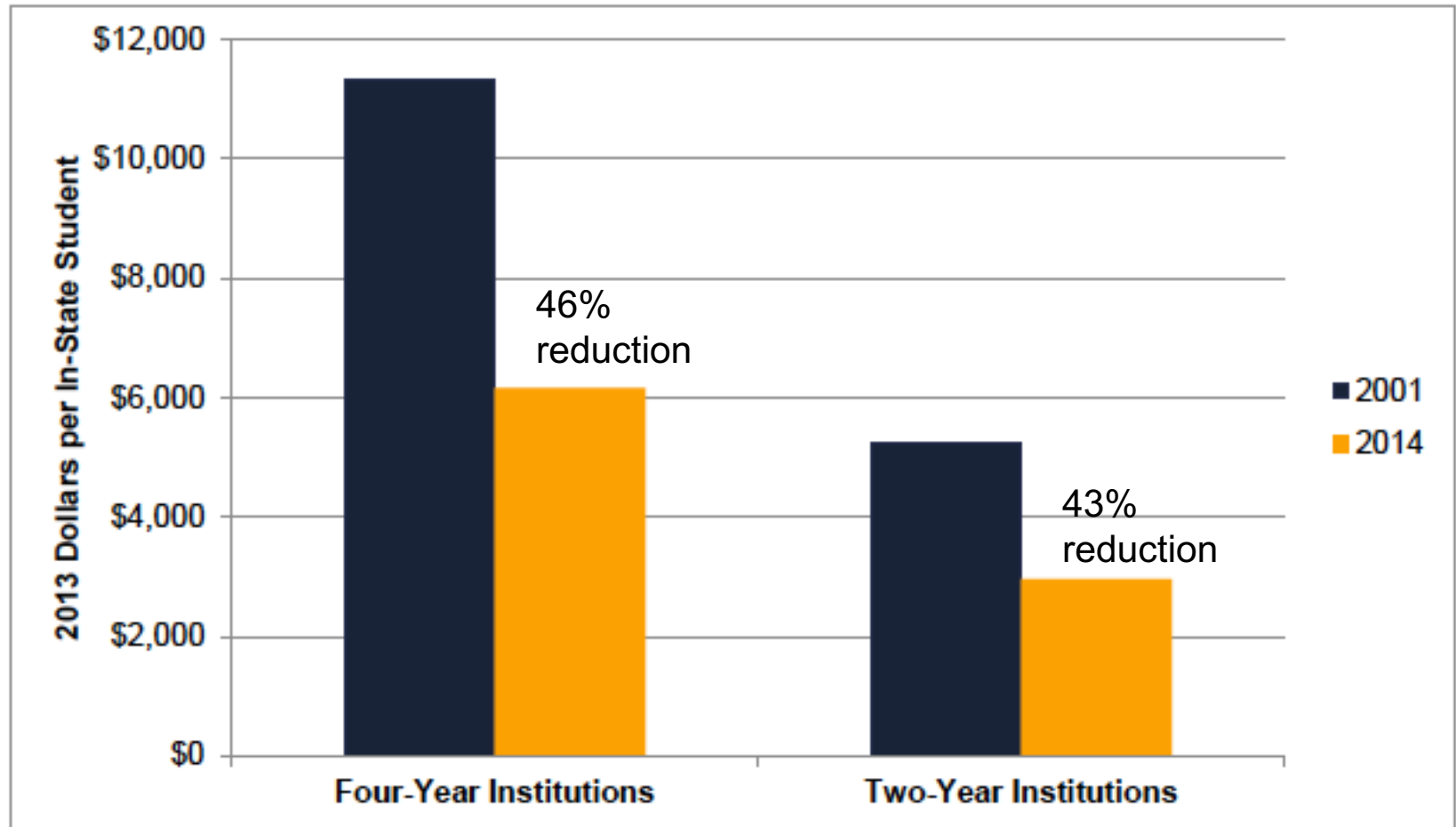


In **2012**, the state paid more in **26 states**, and students paid more in **24 states**.



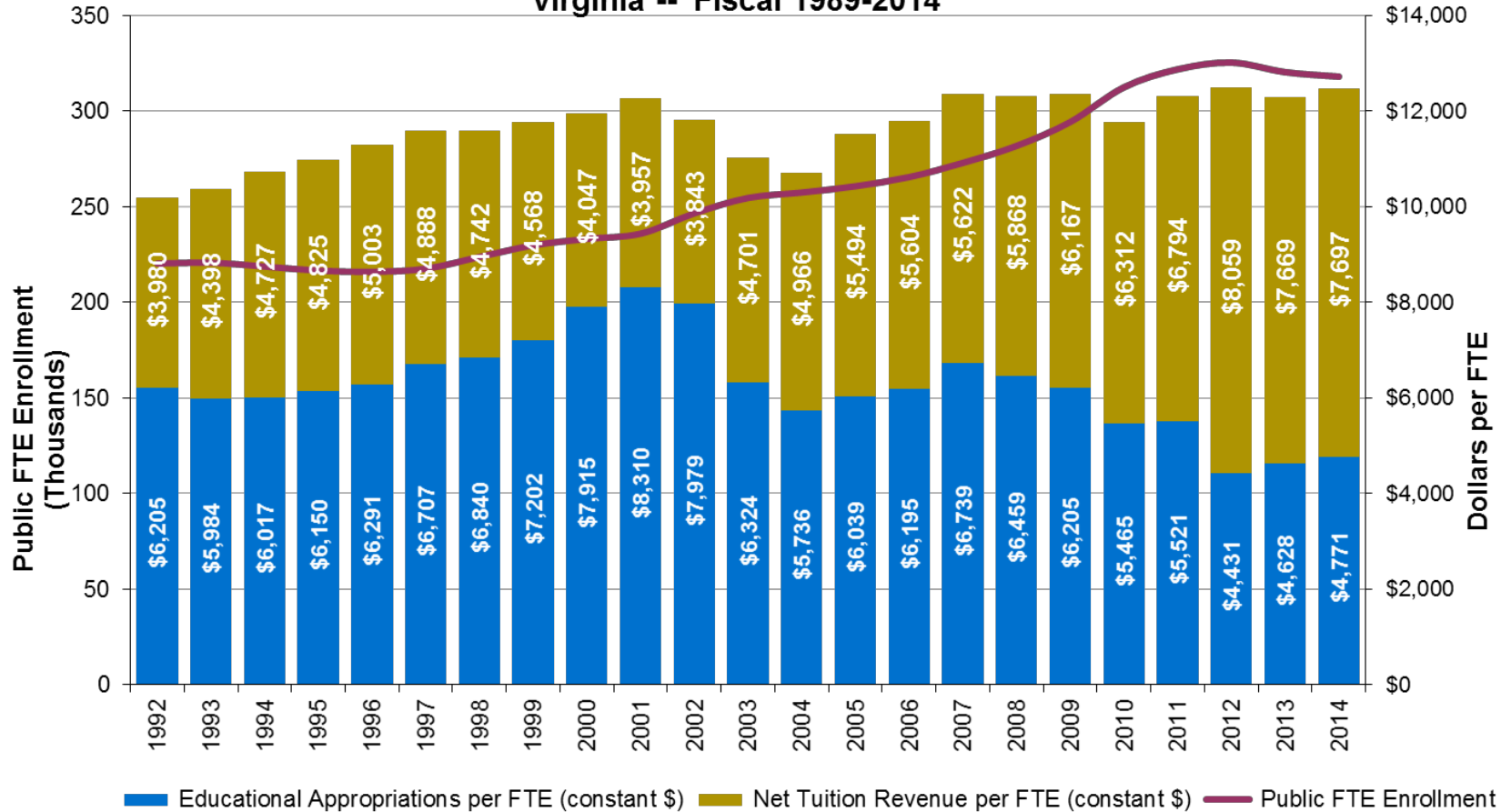
# Changes in state appropriations for Virginia public colleges, 2001-2014

Figure 2.1. State Appropriations per In-State Student



Source: The Effects of Rising Student Costs in Higher Education: Evidence from Public Institutions in Virginia, March 4, 2015. Available at [www.schev.edu](http://www.schev.edu).

## Public FTE Enrollment, Educational Appropriations and Total Educational Revenue per FTE, Virginia -- Fiscal 1989-2014



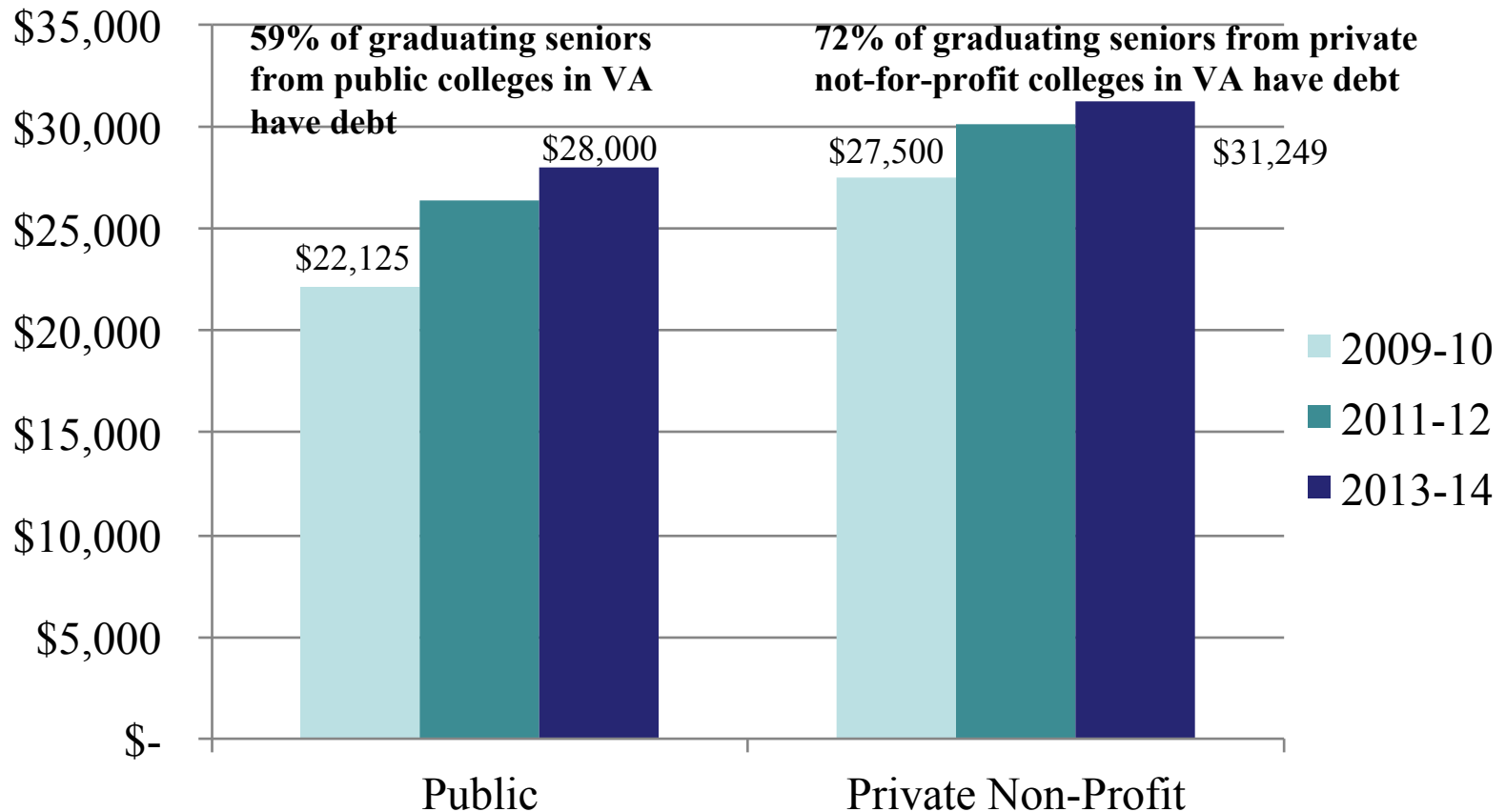
**Note:** Constant 2014 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds.  
**Source:** SHEEO

# **Affordability is a major issue for students, families, and lawmakers**

- **Financial aid has not kept up with rapidly increasing tuition**
- **Federal shift from grants to loans**
- **Value of Pell grant deeply eroded**
- **States shift from need-based aid to merit-based aid to respond to middle class voters**

# Growing student debt

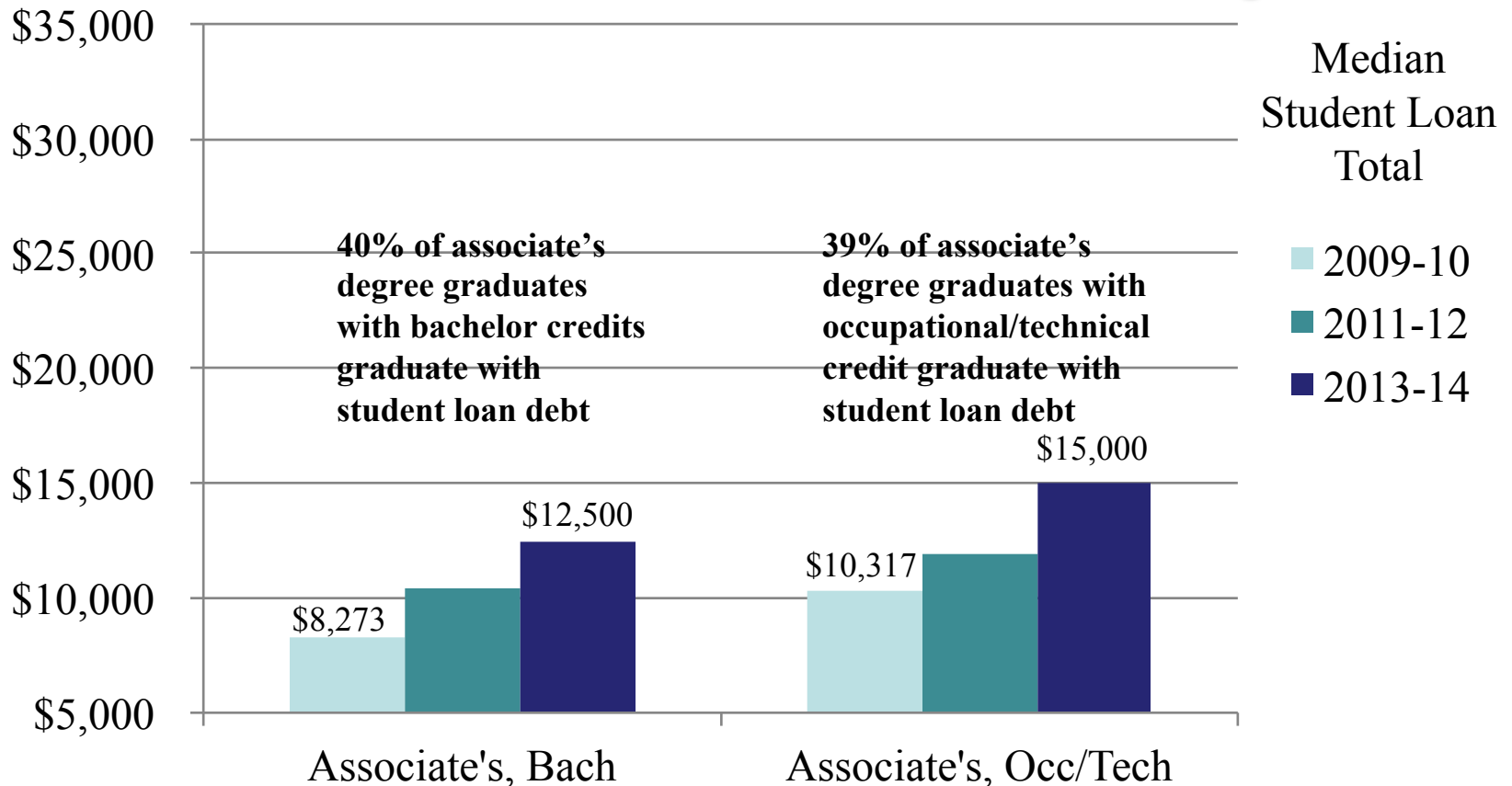
## Graduates of 4-Yr Institutions in Virginia



Data from SCHEV <http://research.schev.edu/apps/info/Reports.Guide-to-the-Graduate-Debt-Reports.ashx?NS=Reports>. Total loans (student and PLUS, PLUS-Grad); median debt of graduates

# Growing student debt

## Graduates of 2-Yr Institutions in Virginia



Data from SCHEV <http://research.schev.edu/apps/info/Reports.Guide-to-the-Graduate-Debt-Reports.ashx?NS=Reports>. Student loan amounts for associate degree graduates.



# Debt load varies greatly

**Fewer students/families borrow and they borrow fewer \$s at institutions with higher family income**

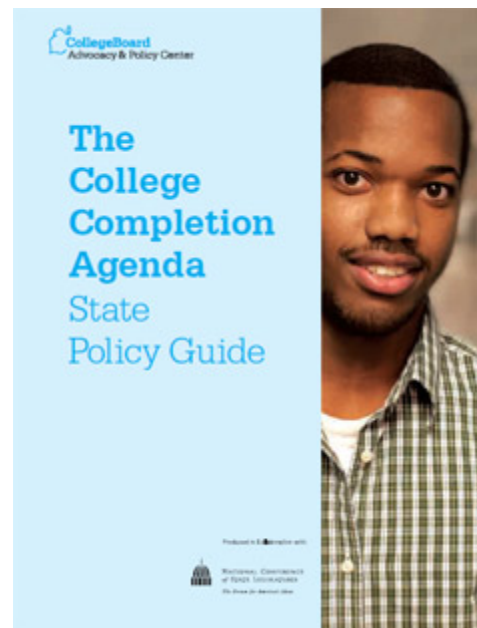
Institution	% Grads who borrowed	Median loan debt
UVA	37%	\$24,789
W&M	39%	\$26,417
VT	53%	\$28,117
VSU	92%	\$39,092
U Richmond	45%	\$26,300
Hollins	79%	\$38,964
Hampton	81%	\$63,971
Virginia Union	94%	\$44,592

**Students of color are more likely to have loan debt and to have higher amounts of loan debt than majority students (all institutions)**

# How is your institution addressing...

- **Pressure to keep tuition and fees down?**
- **Increasing student debt?**
- **Inadequate and uncertain state appropriations?**
- **Have enrollments been affected by these conditions? If so, in what way?**

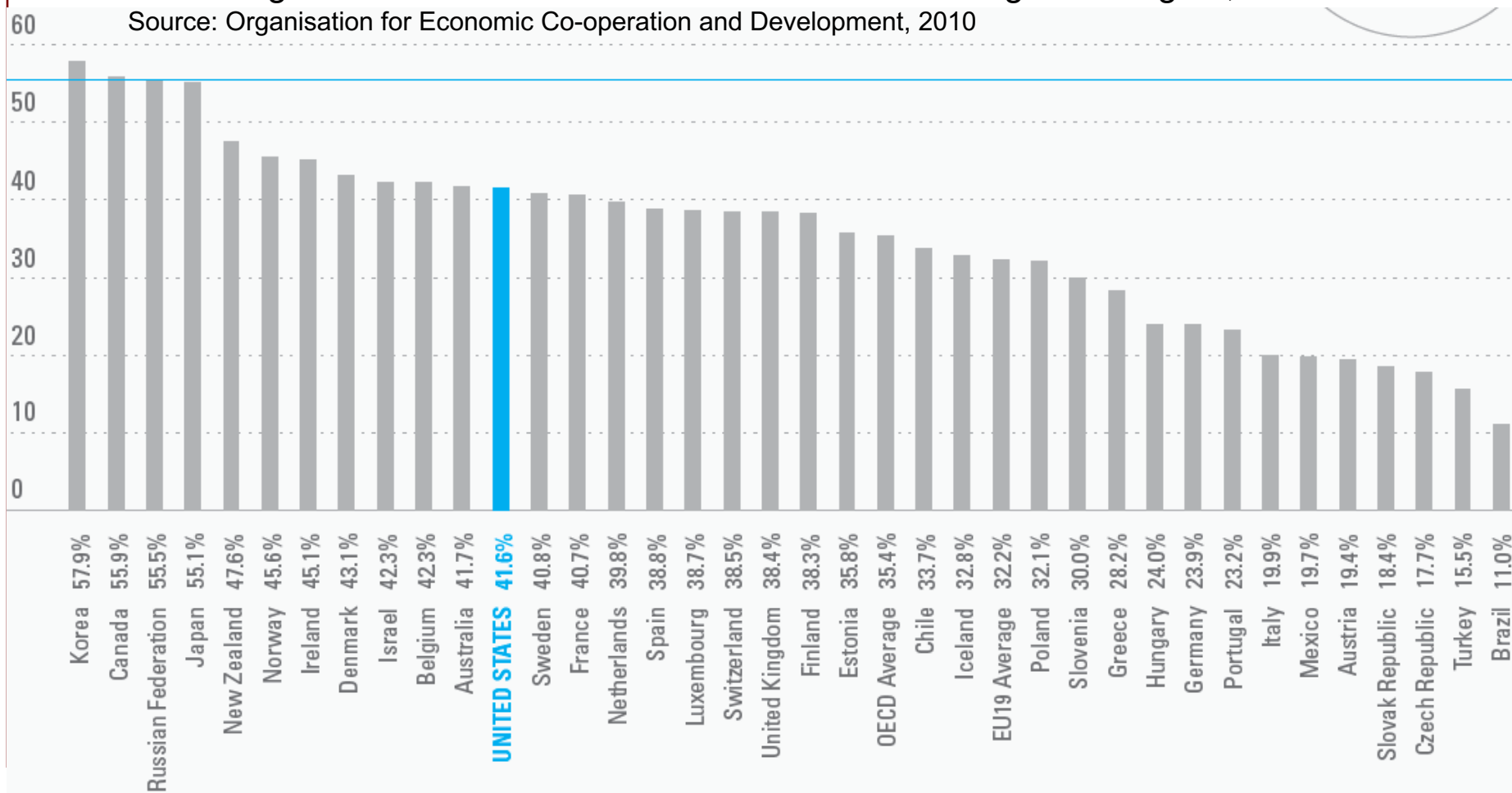
# Declining global competitiveness and the degree completion agenda



# U.S. surpassed by other nations in degrees awarded and other measures of higher education participation

Percentage of 25 to 34-Year Olds with an Associate's Degree or Higher, 2008

Source: Organisation for Economic Co-operation and Development, 2010



# College Completion Agenda

President Obama's goal (2009):  
“By 2020, America will once again have the highest proportion of college graduates in the world.”

60%  
2025

LUMINA FOUNDATION

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GOAL 2025

To increase the proportion of  
Americans with high-quality  
degrees, certificates, and  
other credentials to 60%  
by the year 2025

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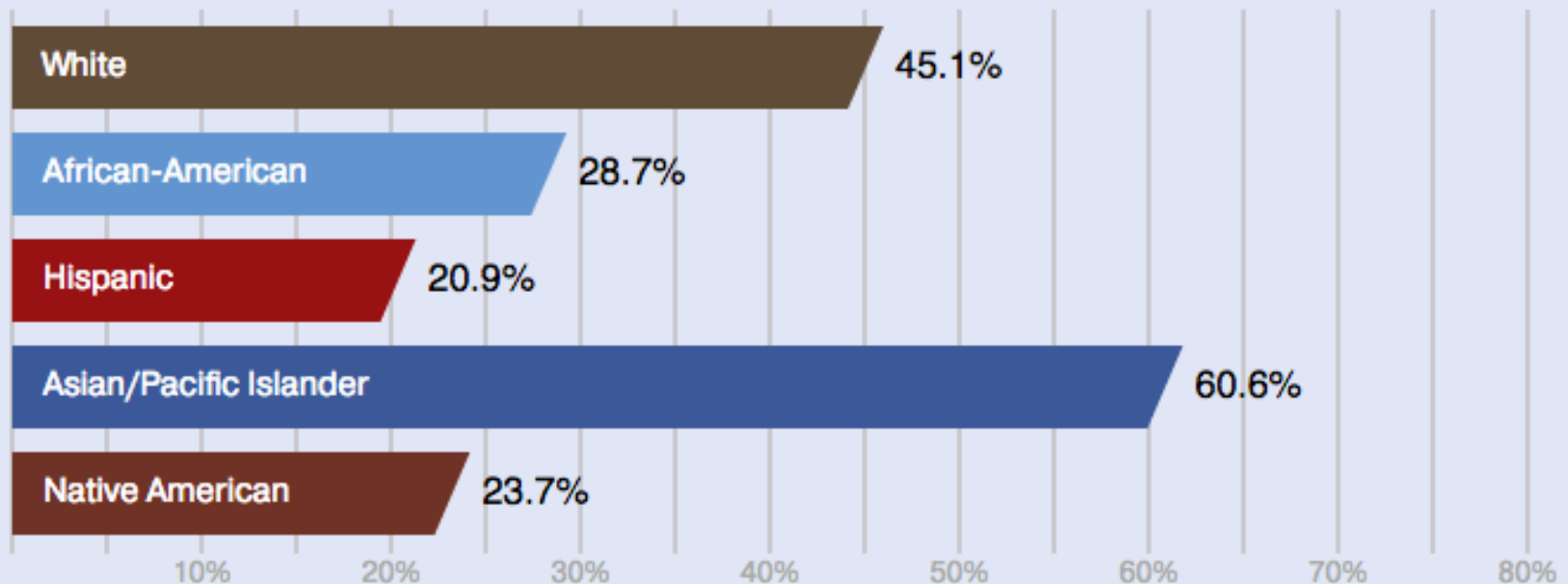
# Tracking the 2025 Lumina Goal

**Percentage of the country's working age population  
(25-64) with a degree, certificate, or other high-quality  
postsecondary credential**

2008	38.9%
2009	38.1%
2010	38.3%
2011	38.7%
2012	39.4%
2013	40.0%
2014	45.3%

Includes certificates not previously counted

## Degree-attainment rates among United States residents (ages 25-64), by population group



*Source: U.S. Census Bureau, 2012, 2013, and 2014 American Community Survey One-Year PUMS Files.*

Source of graphic: Lumina Foundation 2016 Annual Report:  
<http://strongernation.luminafoundation.org/report/2016/>





A Six Year Strategic Plan for  
Virginia's Community Colleges

**To accommodate the demand for these middle-skill-level jobs (more than a high school degree but less than a bachelor's), *Virginia's Community Colleges are embarking on a new six-year strategic plan to triple the number of credentials that our students earn by the year 2021.***

***Tripling the number of credentials that our students earn is the single goal in this strategic plan.***

# Institutional Attention to Degree Completion Agenda

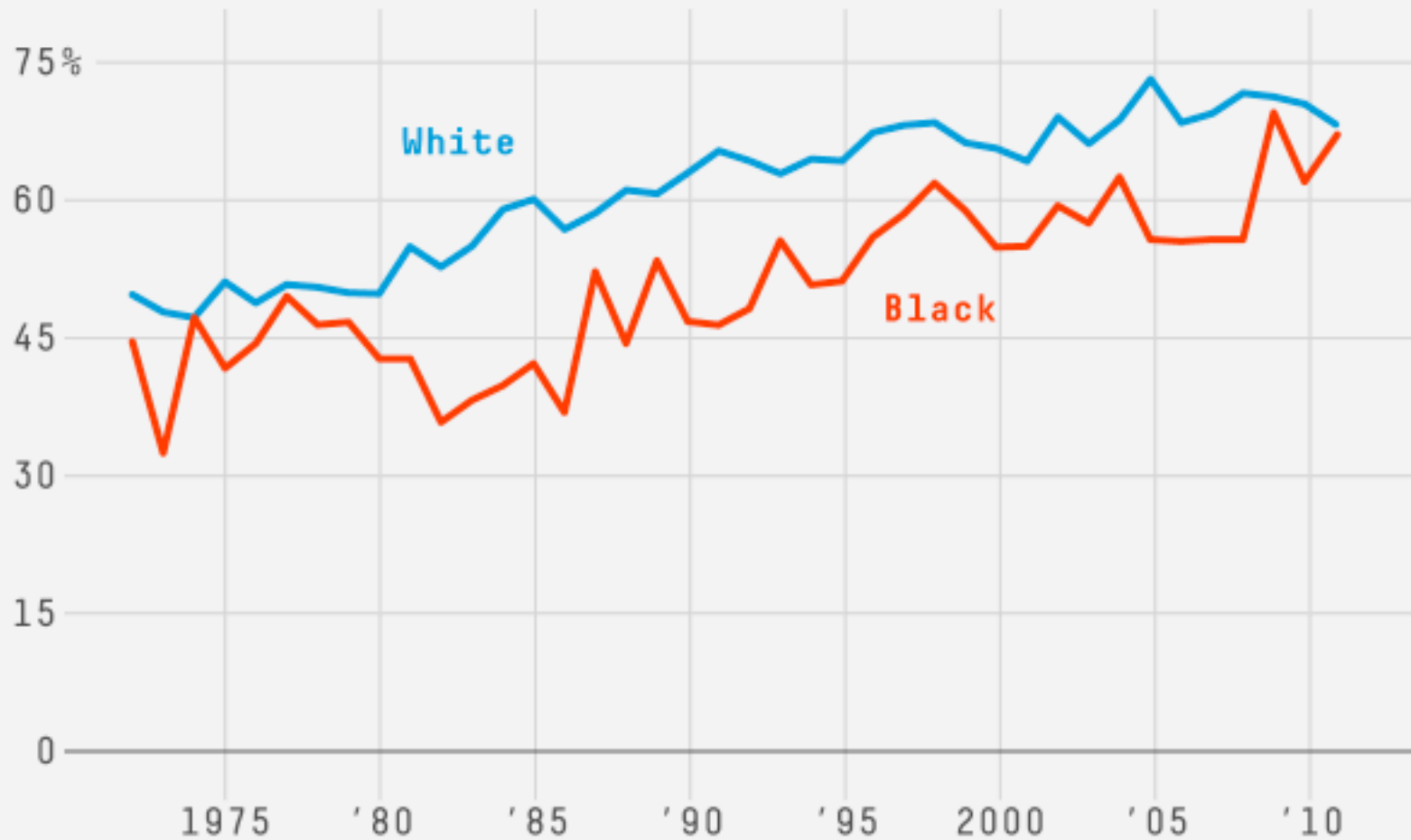
- **Are you tracking your retention rates over time; are there improvements?**
- **What are your 3-year (community college) or 6-year graduation rates (4-year institutions)? How have these changed over time?**
- **What specific strategies have been adopted to increase degree completion?**

# Economic and racial inequities undercut the goal of equal educational opportunity

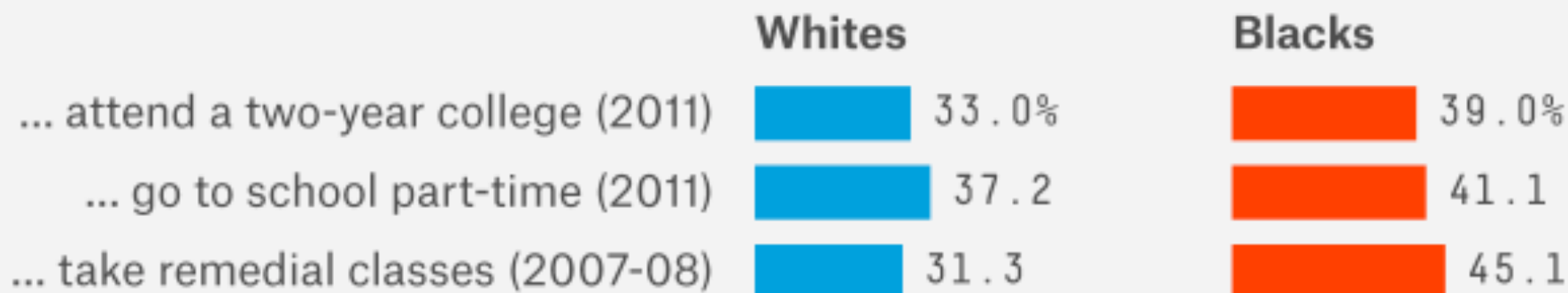


# College Enrollment Rate

Recent high school graduates attending two- or four-year colleges



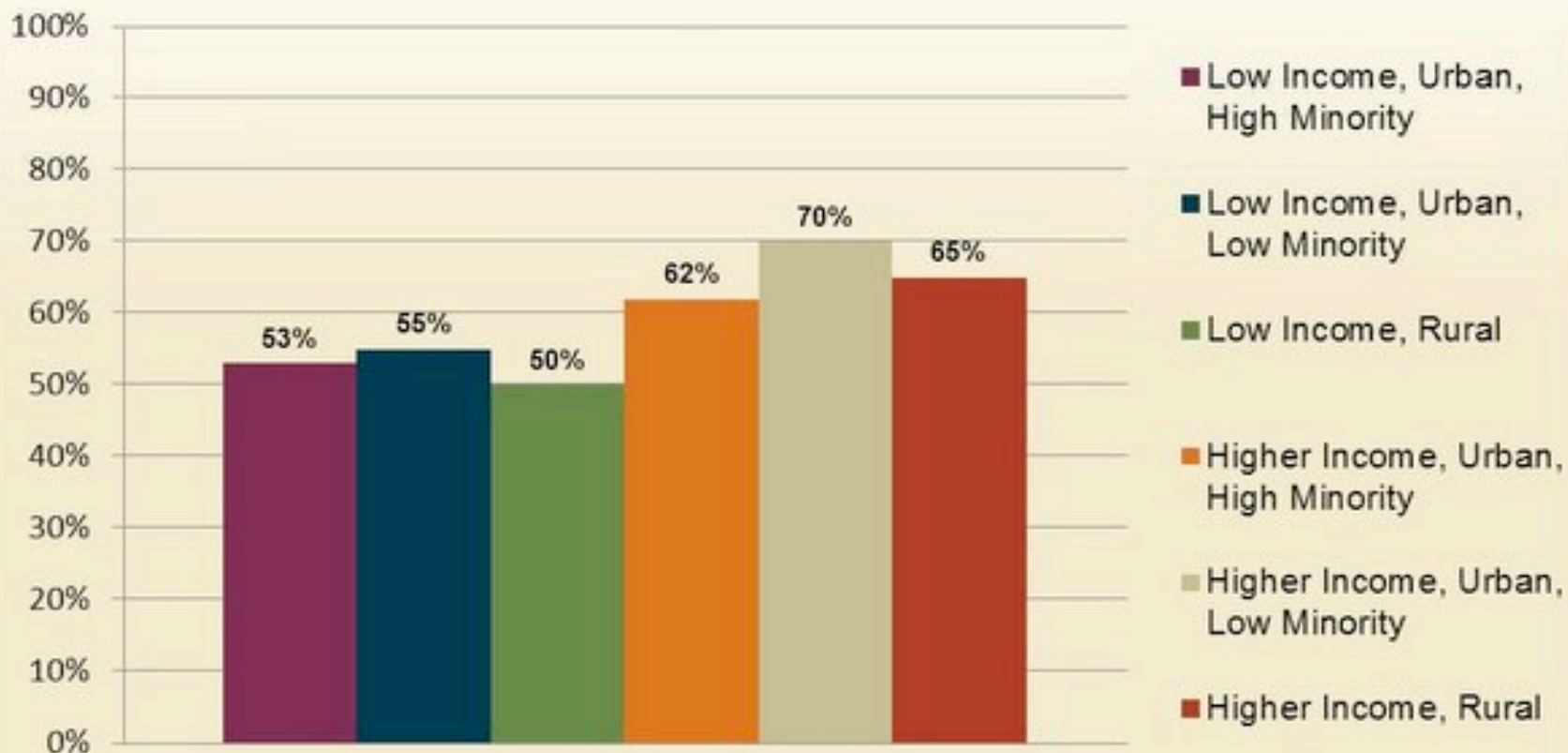
## Blacks are more likely than whites to ...



## And are less likely than whites to ...

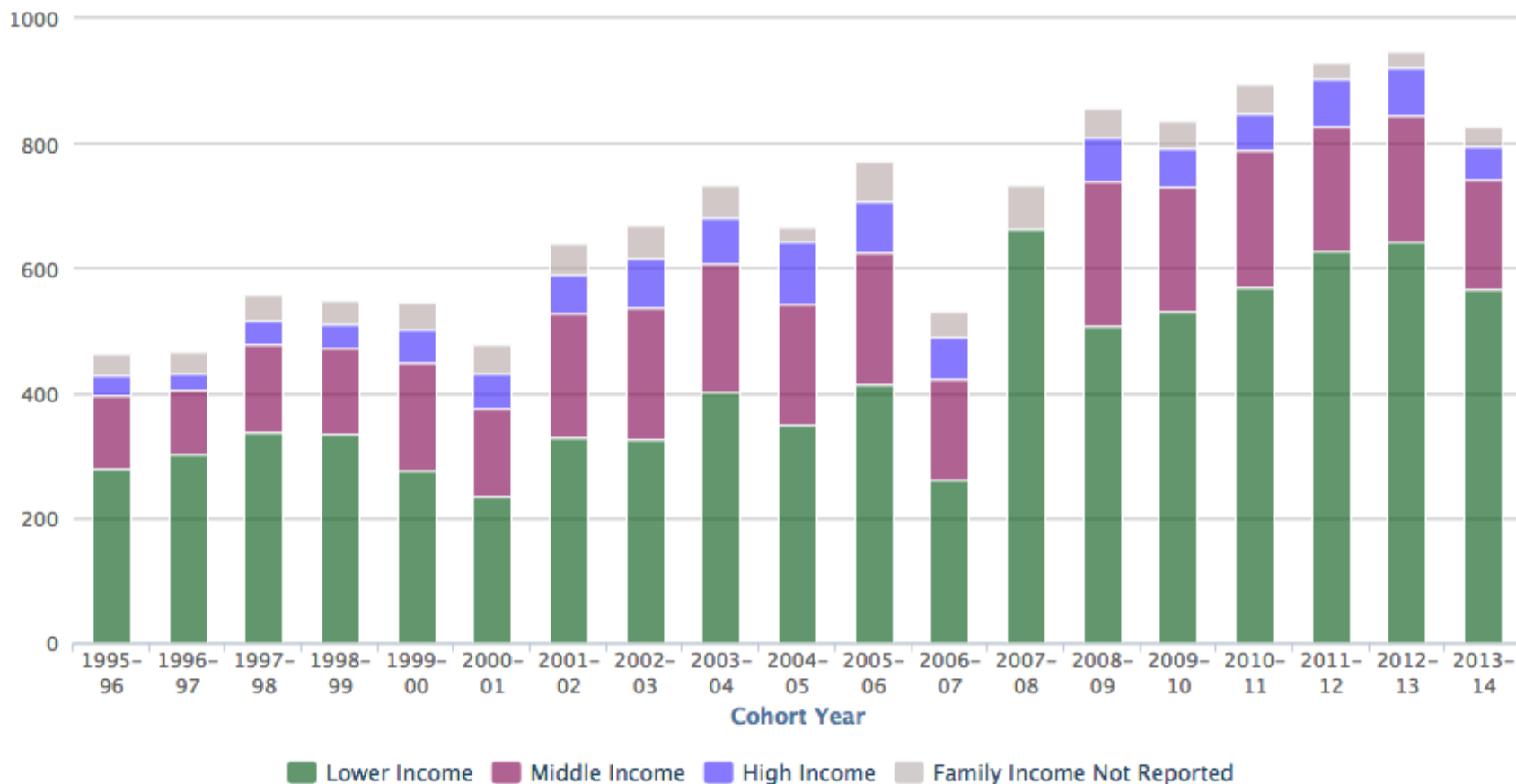


## College Enrollment Rates in First Fall after Graduation, HS Class of 2012



# Student enrollment by economic subcohort Virginia State University

## Cohort Enrollment by Economic Subcohort

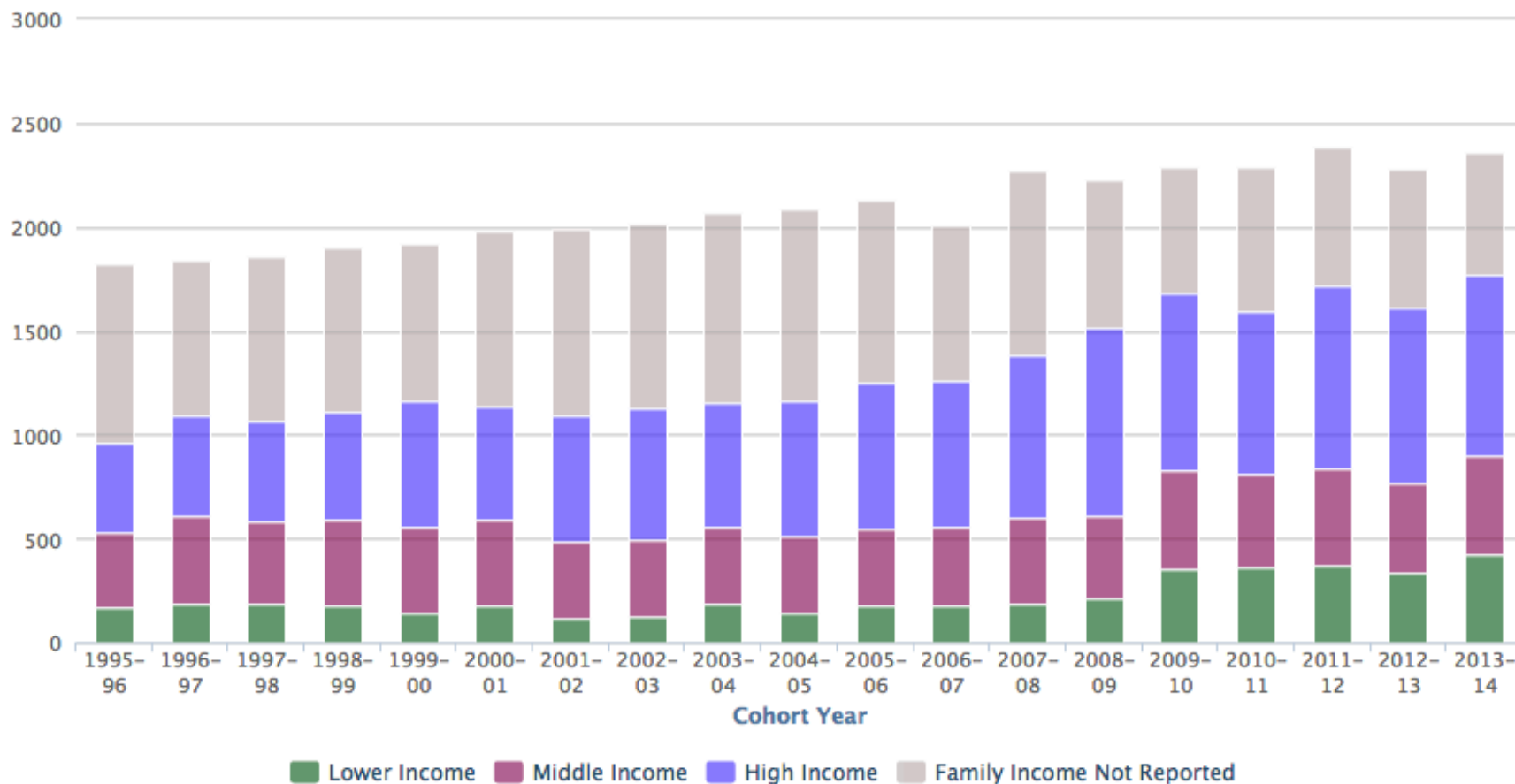


In 2013-14, 68% of first-time, full-time freshmen at VSU came from families <200% of poverty rate – an increase from 2008-09 (59%).



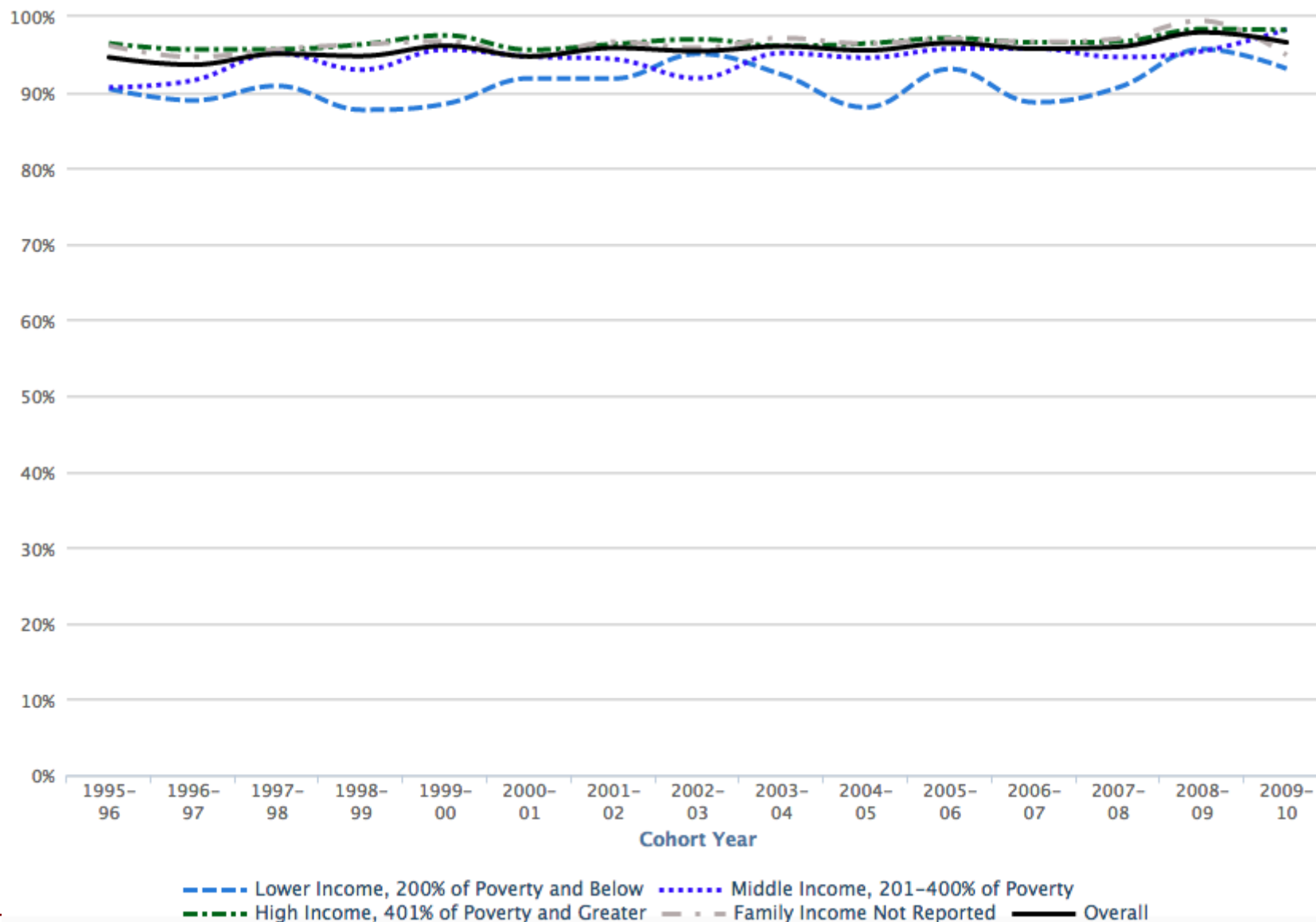
# Student enrollment by economic subcohort University of Virginia

Cohort Enrollment by Economic Subcohort



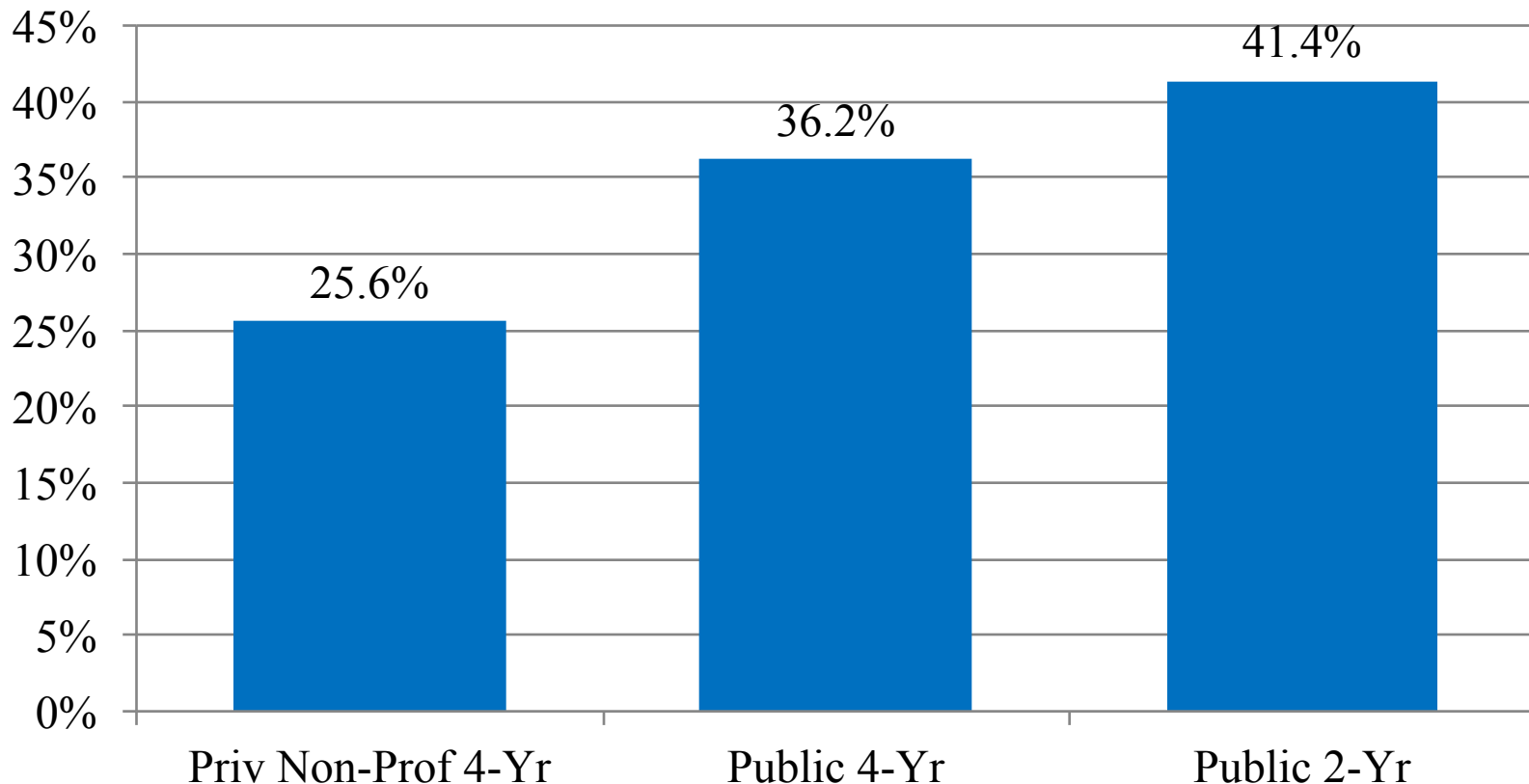
In 2013-14, 18% of first-time, full-time freshmen at UVA came from families <200% of poverty rate – twice the percentage of 2008-09.

# Graduation rates by economic subcohort, University of Virginia



# Enrollment of students of color by institutional type, Virginia

## Percent Students of Color



# Enrollment disparities by institutional type

- ***“Many needy students are sequestered into separate and inferior institutions, including for-profits, from which they are likely to emerge without degrees and with crushing levels of debt.”***
- ***“...fewer than 25% of the lowest-income Virginia students who enrolled in a public college or university in Virginia went to a four-year institution...more than 90% of students in the highest-income quintile who enrolled in a public postsecondary institution in Virginia did so at a four-year institution.”***

Mettler, S. (2014, March 3). Equalizers no more: Politics thwart colleges' role in upward mobility. *The Chronicle Review, Chronicle of Higher Education*, p. B8.

Mulhern, C.; Spies, R. R.; Staiger, M. P.; & Wu, D.D. (2015, March 4). The effects of rising student costs in higher education: Evidence from public institutions in Virginia, p. 13. Retrieved from [http://sr.ithaka.org/sites/default/files/reports/SR\\_Report\\_Effects\\_of\\_Rising\\_Student\\_Costs\\_in\\_Higher\\_Education\\_Virginia\\_030415.pdf?from=](http://sr.ithaka.org/sites/default/files/reports/SR_Report_Effects_of_Rising_Student_Costs_in_Higher_Education_Virginia_030415.pdf?from=)

# **Inequalities will impact economic competitiveness**

- **Demographic shifts already underway**
- **Groups with high levels of educational attainment (Asians, whites) are shrinking as proportion of population**
- **Groups with low and stagnant educational attainment rates are increasing**

# Student learning outcomes questioned



- *What did students learn? Can we prove it?*
- *What kinds of jobs (if any) do graduates get?*
- *Are employers satisfied with skills and abilities that college graduates bring to the workplace?*

## **“Trust us” won’t cut it any more**

- ***Academically Adrift: Limited Learning on College Campuses, Arum and Roksa.***
  - Representative sample of 20,000 students from 24 institutions who entered college in 2005; tested with College Learning Assessment at three points
- **Forty-five percent of students made no gains on the CLA during their first two years in college. Thirty-six percent made no gains over the entire four years. They learned *nothing*.**
- **On average, students do not invest much time in studying, 12.5 hours/week outside of class; 1/3 study less than 5 hours/week**
- ***“The study makes clear that there are two kinds of college students in America. A minority of them start with a good high-school education and attend colleges that challenge them with hard work. They learn some things worth knowing. The rest—most college students—start underprepared, and go to colleges that ask little of them and provide little in return. Their learning gains are minimal or nonexistent.”***

Carey, Kevin. (2011, January 18). 'Trust Us' Won't Cut It Anymore', Chronicle of Higher Education.

# Weak transitions to adulthood for graduates

## ***Aspiring Adults Adrift: Tentative Transitions of College Graduates*** (2014 follow up study by Arum and Roska)

- **Academic disengagement during college often translates into a lingering anomie after it**
- ***More than half struggled to find decent jobs: 53 percent earned less than \$30,000 per year, either in full-time or part-time jobs or because they had no work at all.***
- ***Many lived with their parents and still leaned on them for money: One-third lived at home one year after college. Nearly one-quarter still did so two years after graduating. More than 70 percent received financial help from their parents.***
- ***Weak learners during college often became less-valued employees afterward***
- ***They rarely kept up with the news or current events***





**Higher education  
needs to be more  
accountable.  
But to whom?  
And for what?**



# **Demands for greater accountability**

- **Accreditation(s)**
- **Regulatory compliance**
- **Performance measures, funding, or budgeting adopted by many states**
- **“State asks” in Virginia (Restructuring Act)**
- **Institutional performance measures and 6-year plans address enrollment targets overall and by group – STEMH, underrepresented, cc transfers, in-state; meeting financial and capital standards – Higher Education Opportunity Act, 2011**

# Obama initiatives

- More transparency needed
- Students and families need to be able to compare institutions on same measures when shopping for college

- College scorecard

<https://collegescorecard.ed.gov/>

- What does it typically cost to attend?
- What percentage of students graduate?
- Are students able to repay their loans after they graduate?
- What is typical amount borrowed for a student's undergraduate study?
- What do graduates earn?



# Sample Measures for VT College Scorecard

## Average Annual Cost




**\$19,691**

## Graduation Rate



**83%**

 National Average

## Salary After Attending



**\$59,000**

# State-Level Wage Data by Program

## Post-Completion Wages of Graduates

	Years Post Completion	Total Grads / FTWE Wages	FT Wages (%)	Median
English Language and Literature, General, Four-Year Bachelor's Degree				
Virginia Tech (638 graduates)	1	216	34%	\$24,193
Virginia Tech (638 graduates)	3	180	28%	\$32,931
Virginia Tech (638 graduates)	5	178	28%	\$39,903

## Post-Completion Wages of Graduates

	Years Post Completion	Total Grads / FTWE Wages	FT Wages (%)	Median
Finance, General, Four-Year Bachelor's Degree				
Virginia Tech (1,169 graduates)	1	536	46%	\$45,137
Virginia Tech (1,169 graduates)	3	469	40%	\$56,753
Virginia Tech (1,169 graduates)	5	420	36%	\$68,410
All graduates at this degree level, Four-Year Bachelor's Degree				
Virginia Tech (24,259 graduates)	1	8,055	33%	\$37,194
Virginia Tech (24,259 graduates)	3	7,221	30%	\$46,558
Virginia Tech (24,259 graduates)	5	6,816	28%	\$54,228

# How does your institutional plan address these national policy issues?

- **Access for students of color and low-income, first generation students?**
- **Degree completion?**
- **Accountability and student learning outcomes?**
- **Strategic growth in STEMH fields for economic competitiveness?**